

## Alibaba Group Unveils Omni-channel Retailing Plans for 2015 11.11 Global Shopping Festival

More than 1,000 brands with 180,000 stores in 330 cities across China synchronize online and offline resources to offer outstanding products, prices, services and logistics for consumers

**Beijing, October 19, 2015** – Alibaba Group (NYSE: BABA) today revealed its omni-channel retailing plans for the 2015 11.11 Global Shopping Festival.

This year, more than 1,000 retail brands, with 180,000 stores in 330 cities across China, will participate in the 11.11 Global Shopping Festival. In Beijing alone, more than 8,000 stores will join the 11.11 festival.

Consumers will have access to products, prices, services, delivery options and membership benefits online as well as at the participating brands' physical stores. Brands participating in omni-channel sales include Estee Lauder and Mars, featuring products in 10 major categories: automobiles, home furnishing and décor, household items, consumer electronics, beauty and health, food, apparel, body care, baby care, and travel and hotel accommodation.

"Omni-channel retailing is one of the key initiatives for this year's 11.11 Global Shopping Festival. It marks the first step in achieving the full integration of digital and physical commerce," said Jeff Zhang, President of China Retail Marketplaces at Alibaba Group. "Alibaba Group is dedicated to working with brands and retailers to facilitate their transition from traditional to omni-channel retailing."

While omni-channel retailing makes shopping more convenient, it also represents a new business model for retailers. "Omni-channel retailing allows traditional businesses to keep pace with the rapidly changing retail environment. By synchronizing online and offline resources, retailers can provide their customers with a convenient shopping experience," said Sun Weimin, Vice Chairman of Suning Commerce Group.

Suning is one of the brands joining this year's 11.11 festival, offering phone refurbishing and after-sales services for Tmall electronics in its 1,600 physical stores across China. In August, Suning and Alibaba entered into an agreement to build on each others' strengths in e-commerce, logistics and related business through joint omni-channel initiatives.

The omni-channel celebration features these advanced shopping experiences:

- **Discounted coupon offerings:** Through location-based services (LBS), consumers will receive text notification for the "11.11 omni-channel celebration" from their Taobao mobile app when they enter any of the 180,000 participating stores. Consumers can then scan the barcode on the "11.11 omni-channel celebration" sign displayed in stores and get a chance to win discounted e-coupons to redeem on the 11.11 shopping day. The total value of discounted coupons distributed during the 11.11 celebration is estimated to be RMB 4.8 billion.
- Same product offerings online and offline with discounted prices: Starting from November 1, Suning, Intime and Haier, along with other retail brands, will set up special experience zones in their stores across China for the 11.11 omni-channel celebration. Consumers will be able to try out any displayed products, scan the barcodes of chosen items, and purchase them with the discounted prices reserved for sales on November 11.

 Optimal delivery service: By synching up brands' physical stores and offline service centers with their Tmall shops, retailers allow consumers to either pick up their merchandise at nearby stores after making online purchases or choose to have their orders delivered swiftly from the closest physical store or retailer warehouse.

Optimal delivery service is made possible by the "ERP-POS Link" technology, developed by Alibaba to support omni-channel retailing. With this technology, retailers can identify the closest physical store that houses the purchased items and alert Cainiao's logistics partners to pick up the products and deliver them to the consumer's designated address. The whole process - from making a purchase in Tmall to receiving the order - can take less than two hours for some consumers. Cainiao is Alibaba's affiliated China-wide logistics platform.

- Convenient after-sales services: Consumers can also enjoy convenient after-sales services now that
  certain retailers have their online and offline stores connected. For example, a Tmall Service Station will
  be set up in more than 1,600 Suning stores across China. Consumers who purchase any digital
  products or mobile phones from Tmall regardless which brands they purchase can enjoy
  maintenance and aftersales services in all of Suning's 1,600 stores. In the near future, consumers will
  be able to return and exchange electronic products purchased from Tmall in all of Suning's Tmall
  Service Stations.
- Same membership benefits online and offline: Members of specified brands can enjoy the same services and benefits whether they buy products online or offline. For example, members of Herboris, a Chinese hair and skin care brand, can make an appointment on Herboris' Tmall store, conduct the skincare services in selected Herboris' physical stores and receive samples and coupons reserved for members.

Under the theme of globalization, this year's 11.11 Global Shopping Festival will bring in 6 million products from more than 40,000 merchants and 30,000 brands, including 5,000 overseas brands from 25 countries and regions such as the U.S, Europe, Japan and South Korea.

November 11, 2014 was the biggest global shopping day in history as measured by gross merchandise volume ("GMV")<sup>1</sup>, with over US\$9.3 billion settled through China's leading mobile and online payments platform Alipay. The results were driven in part by the volume of transactions made over Alibaba's mobile platforms. More than 27,000 merchants from around the world participated, with shoppers placing some 278 million orders in the 24-hour period. 42.6% of total GMV was transacted on mobile devices, up from 21% of total GMV during the 11.11 sale in 2013.

For additional history and facts from last year's festival, as well as the latest news and updates on the 2015 11.11 Global Shopping Celebration, please visit Alizila.

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<sup>&</sup>lt;sup>1</sup> Gross merchandise volume ("GMV") is the total amount settled through Alipay on Alibaba's China and international retail marketplaces.

## **About Alibaba Group**

Alibaba Group's mission is to make it easy to do business anywhere. The company is the largest online and mobile commerce company in the world in terms of gross merchandise volume. Founded in 1999, the company provides the fundamental technology infrastructure and marketing reach to help businesses leverage the power of the Internet to establish an online presence and conduct commerce with hundreds of millions of consumers and other businesses.

Alibaba Group's major businesses include:

- Taobao Marketplace (www.taobao.com), China's largest online shopping destination
- Tmall.com (www.tmall.com), China's largest third-party platform for brands and retailers
- Juhuasuan (www.juhuasuan.com), China's most popular online group buying marketplace
- Alitrip (www.alitrip.com), a leading online travel booking platform
- AliExpress (www.aliexpress.com), a global online marketplace for consumers to buy directly from China
- Alibaba.com (www.alibaba.com), China's largest global online wholesale platform for small businesses
- 1688.com (www.1688.com), a leading online wholesale marketplace in China
- AliCloud (www.alicloud.com), a provider of cloud computing services to businesses and entrepreneurs

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